

# HOUSE BILL REPORT

## SHB 1046

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### As Amended by the Senate

**Title:** An act relating to vehicle and vessel quick title.

**Brief Description:** Concerning vehicle and vessel quick title.

**Sponsors:** House Committee on Transportation (originally sponsored by Representatives Moeller, Condotta and Morris).

### Brief History:

#### Committee Activity:

Transportation: 1/12/11, 1/31/11 [DPS].

#### Floor Activity:

Passed House: 3/5/11, 58-40.

Senate Amended.

Passed Senate: 4/9/11, 41-8.

### Brief Summary of Substitute Bill

- Establishes the definition of a quick title as a certificate of ownership printed at the time of application.
- Establishes a fee for a vehicle and vessel quick title of \$75.
- Requires that all applications for a quick title must meet the requirements established by the Department of Licensing (DOL).
- Allows subagents after January 1, 2013, to provide quick title services for an additional fee of \$25 in a county in which the county auditor or agent also offers the service and the subagent is selected by the county auditor or agent.
- Requires the DOL, county auditors, and agents to submit an implementation report to the Legislature by January 1, 2012, on any issues or recommendations for process improvements.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives Clibborn, Chair; Billig, Vice Chair; Liias, Vice

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Chair; Eddy, Finn, Fitzgibbon, Jinkins, Ladenburg, Moeller, Morris, Moscoso, Reykdal, Rolfes, Ryu, Takko and Upthegrove.

**Minority Report:** Do not pass. Signed by 13 members: Representatives Armstrong, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Angel, Asay, Johnson, Klippert, Kristiansen, McCune, Overstreet, Rivers, Rodne, Shea and Zeiger.

**Staff:** Jerry Long (786-7306).

**Background:**

Vehicle and vessel title changes in Washington can be made at county auditors, other agents, subagents, or at the Department of Licensing (DOL). The applicant must fill out a Vehicle or Vessel Certificate of Ownership Application. Documentation and the required taxes and fees are collected at the location and sent to the DOL. Seven county auditors in Washington (Benton, Clark, Franklin, Kitsap, Pierce, Spokane, and Whatcom counties) presently prepare quick titles, which are titles that are processed by the counties and given to the applicant immediately.

**Summary of Substitute Bill:**

A quick title is defined as a certificate of ownership printed at the time of application.

A \$75 fee is charged by the participating county auditor or other agent; \$37.50 is retained by the county treasurer in the same manner as other fees collected by the county auditor, and the remaining \$37.50 is deposited into the Motor Vehicle Fund for a vehicle and the General Fund for a vessel. If the fee is paid directly to the DOL, the entire fee of \$75 must be deposited into the Motor Vehicle Fund for a vehicle and into the General Fund for a vessel.

The application for a quick title may not be used to obtain the first title issued to a vehicle previously designated as a salvage vehicle.

The application for a quick title must be submitted by the owner or owner's representative to the DOL, participating county auditor, or other agent appointed by the DOL Director on a form furnished or approved by the DOL.

Subagents are allowed to perform quick title transactions beginning January 1, 2013, for a fee of \$25, which is in addition to the quick title fee of \$75, providing that:

- the county auditor or agent is also providing quick title services in the county in which the subagent is located; and
- the county auditor or other agent has selected the subagent to perform quick title services.

The \$25 fee is not in addition to the subagent fee of \$12 for providing a non-quick title transaction.

All applications for a quick title must meet the requirements established by the DOL. The act applies to quick title transactions processed on and after January 1, 2012.

## **EFFECT OF SENATE AMENDMENT(S):**

The Senate amendment makes the following changes:

1. Quick title fees are reduced from \$75 to \$25.
2. A subagent may process a quick title only after:
  - the Department of Licensing has instituted a process in which blank certificate of title stock can be inventoried; and
  - the County Auditor of the county in which the subagent is located has processed quick titles for a minimum of six months. In the House version, the date for subagents to apply to the County Auditor that is processing quick titles in which the subagent was located was January 1, 2013.
3. Subagents do not receive an additional fee for processing these, where in the House version, they received a \$25 fee.
4. The requirement that an implementation report be submitted to the Legislature is removed.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect August 1, 2011.

### **Staff Summary of Public Testimony:**

(In support) The \$25 fee is very reasonable compared to the \$100 penalty fee that is charged for a late title processing. It normally takes about 20 minutes to process a quick title, and it is a greatly needed service because the person leaves the office with the title in hand. Since a title being processed by the DOL might take several weeks, people actually drive to one of the seven county auditors to get a title processed while they wait.

The quick title process takes time to set up, requires extra security for title stock, and assumes additional responsibility for the verification process since the county auditors are actually performing the vehicle verifications that the DOL usually performs. The fee helps cover the extra time, security, and responsibility.

This really has a positive impact on the economy in the areas in which this service is provided. Other states charge a fee from \$5 to \$75 for providing this service.

The subagents would recommend an amendment for subagents to also provide this service, since subagents are open more days and longer hours than county auditors.

(Opposed) None.

**Persons Testifying:** Representative Moeller, prime sponsor; Skip Moore, Chelan County; Jeanne Youngquist, Skagit County; and Don McCallum, Washington Association of Vehicle Subagents.

**Persons Signed In To Testify But Not Testifying:** None.